

**FIDUCIARY FUNDS
DECEMBER 31, 2005**

INVESTMENT TRUST FUNDS

Investment Trust Funds are used by King County to report investment activity engaged in on behalf of legally separate entities. Accounting for the two Investment Trust Funds is on the accrual basis and the measurement focus is economic resources.

External Investment Pool Trust Fund – Established to account for the investment activity conducted by King County on behalf of legally separate entities such as special districts and public authorities other than component units that participate in the County's investment pool.

Individual Investment Accounts Trust Fund – Established to report investment activity conducted by King County on behalf of legally separate entities such as special districts and public authorities other than component units having investments with the County that are not in the County's investment pool.

INVESTMENT TRUST FUNDS
COMBINING STATEMENT OF NET ASSETS
DECEMBER 31, 2005
(IN THOUSANDS)

	TOTAL	EXTERNAL INVESTMENT POOL	INDIVIDUAL INVESTMENT ACCOUNTS
ASSETS			
Investments at fair value			
Certificates of deposit & saving accounts	\$ 225,936	\$ 225,818	\$ 118
Repurchase agreements	594,861	594,861	-
Commercial paper	459,208	459,208	-
Taxable municipal notes	42,234	42,234	-
Taxable municipal zero coupon notes	23,825	23,825	-
US Treasury notes	1,964	-	1,964
US Agency notes	223,345	222,233	1,112
US Agency discount notes	532	532	-
US Agency collateralized mortgage obligations	74,207	74,156	51
Investments held by broker-dealers under reverse repurchase agreements			
Treasury securities	184,312	184,312	-
State Treasurer's investment pool	14	14	-
Total investments	1,830,438	1,827,193	3,245
Interest receivable	9,676	9,648	28
TOTAL ASSETS	1,840,114	1,836,841	3,273
LIABILITIES			
Obligations under reverse repurchase agreement	191,691	191,691	-
Interfund loans payable	4,610	4,610	-
TOTAL LIABILITIES	196,301	196,301	-
NET ASSETS			
Held in trust for pool participants	1,640,540	1,640,540	-
Held in trust for individual investment account participants	3,273	-	3,273
TOTAL NET ASSETS	\$ 1,643,813	\$ 1,640,540	\$ 3,273

INVESTMENT TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2005
(IN THOUSANDS)

	TOTAL	EXTERNAL INVESTMENT POOL	INDIVIDUAL INVESTMENT ACCOUNTS
ADDITIONS			
Contributions	\$ 5,386,636	\$ 5,383,316	\$ 3,320
Net investment earnings (losses)			
Interest	53,893	53,843	50
Decrease in the fair value of investments	(9,477)	(9,389)	(88)
TOTAL ADDITIONS	5,431,052	5,427,770	3,282
DEDUCTIONS			
Distributions	5,494,028	5,490,406	3,622
Change in net assets	(62,976)	(62,636)	(340)
Net assets - January 1, 2005	1,706,789	1,703,176	3,613
Net assets - December 31, 2005	\$ 1,643,813	\$ 1,640,540	\$ 3,273

FIDUCIARY FUNDS DECEMBER 31, 2005

AGENCY FUNDS

Agency Funds are clearing accounts employed to account for assets held by King County in its capacity as custodian or agent and are offset by equal and related liabilities. Accounting for the Agency Funds is on the accrual basis. There is no measurement of operational results.

There are two major classifications of the Agency Funds: (1) those that are used with the operations of King County government; and (2) those that are used to account for cash received and disbursed in King County's capacity as *ex officio* treasurer or collection agent for special districts and other governments.

AGENCY FUNDS – COUNTY GOVERNMENT

Enhanced-911 PSAP Escrow Fund – Utilized to account for receipt of enhanced-911 excise tax revenue and subsequent distribution to the Public Safety Answering Points (PSAP) in King County.

Judicial Administration Agency Fund – Utilized to account for money deposited with King County Superior Court pending outcome of litigation.

King County Fiscal Agent / Debt Service Funds – Funds established to account for money held by King County as fiscal agent for the payment of debt service on bonds.

Miscellaneous Agency Funds – Funds established to account for amounts associated with short-term or relatively minor custodial activities. Activities in these funds account for the receipts and disbursements associated with the Plan to Achieve Self-Sufficiency (PASS), unclaimed effects and assets of deceased individuals, employee charitable payroll deductions, Certificates of Redemption and Purchase associated with delinquent assessments in local improvement districts, and Community Development Block Grants held on the behalf of homeowners who qualify for one of several programs of housing and improvements for health, safety, and blight elimination.

Miscellaneous Property Tax Funds – Various property tax funds used to process and distribute real and personal property tax refunds authorized by the County Treasurer; to account for proceeds of foreclosure sales in excess of delinquent taxes, interest, penalties, and costs; and to account for required prepayment of real property taxes when a property owner plats a parcel of property. These funds are also used to record property tax payments in excess of liability and to process related refunds to taxpayers; to suspend tax receipts requiring further identification or additional payment before they can be distributed; and to distribute assessment and interest payments of local improvement districts and to process assessment refunds.

Miscellaneous Tax Distribution Fund – Established for distribution of certain revenues other than property taxes, such as state private harvest timber tax, leasehold excise tax, real estate excise tax, state forest board earnings, and proceeds from sales of tax title property.

Payroll and Accounts Payable Clearing Funds – Established to centralize issuance of payroll and accounts payable warrants that are reimbursed by each benefiting fund.

FIDUCIARY FUNDS DECEMBER 31, 2005

School District Impact Fee Fund – Utilized to account for receipt and disbursement of fees authorized by the State of Washington Growth Management Act of 1990. In 1992 King County adopted Ordinance 10122 for the purpose of implementing the school impact fee program, allowing the County to enter into interlocal agreements with school districts.

Warrant Redemption Fund – Utilized to redeem warrants of King County and special districts and to make distribution to applicable issuing funds.

AGENCY FUNDS – SPECIAL DISTRICTS/OTHER GOVERNMENTS

King County utilized approximately 751 active funds in 2005 to account for resources of 208 special districts/other governments and related liabilities of King County.

The King County Executive, in compliance with the laws of the State of Washington or by contract, is the *ex officio* treasurer of King County and special districts, but not for the cities, towns, or the State of Washington. Money received from, or for accounts of, the special districts/other governments are deposited in King County's central bank account; disbursements for both operations and investments are made upon receipt of instructions from governing bodies or administrators of the special districts/other governments. Revenues received for the accounts of the cities, towns, and State of Washington are remitted to their respective treasurers.

Central Puget Sound Regional Transit Authority – On May 31, 1996, Sound Transit adopted *Sound Move – The 10-year Regional Transit System Plan*, a proposal to build the first phase of a high-capacity transit system to provide the region with alternatives to meet its transportation needs. Citizens within Sound Transit's districts approved local taxes necessary to fund that plan on November 5, 1996. Sound Transit is governed by an eighteen-member board comprised of seventeen local elected officials and the State Transportation Department Secretary.

Cities and Towns – The King County Finance and Business Operations Division utilizes a group of funds for each of the 39 municipalities to account for the collection and remittance of their regular, special, and bond property tax levies to the respective treasurers.

Fire Districts – In King County there are 28 fire protection districts. The primary purpose of these districts is to provide fire prevention and suppression services and to offer emergency medical services to protect life and property in areas outside cities and towns, except where the cities and towns have been annexed into a fire protection district. These districts are governed by elected Boards of Fire Commissioners.

Hospital Districts – King County has three public hospital districts. These municipal corporations are authorized to own and operate public hospitals and related facilities. Each district is governed by an elected five-member Hospital Commission.

King County Directors' Association (KCDA) – The KCDA is a nonprofit cooperative purchasing organization made up of 285 school districts statewide and governed by a five-member Board of Directors elected from and by school boards throughout King County. The objectives of this association are to eliminate duplicate purchasing activities, establish product standards, and

**FIDUCIARY FUNDS
DECEMBER 31, 2005**

obtain the lowest possible costs through volume purchasing, centralized warehousing, and consolidated distribution.

King County Rural Library District – The King County Library System serves the public through 42 community libraries, a Traveling Library Center, and three institutional libraries in King County facilities. All cities in King County except for Seattle, Renton, Enumclaw, Hunt's Point and Yarrow Point are part of the Library District, as well as all the unincorporated areas of the County. The system possesses over three million items, including books, audio and video cassettes, music CDs, DVDs, government documents, and magazines. Reference services, including numerous online databases, are also available.

Library Capital Facility Districts – This district was established for the purpose of financing the acquisition, improvement, and construction of the Issaquah and Redmond libraries.

Miscellaneous Special Districts – The following is a brief summary of the main entities:

- Puget Sound Regional Council – The regional planning and decision-making body for growth and transportation issues in the counties of King, Kitsap, Pierce, and Snohomish. Its primary goal is to plan for the growth and development of the region, including transportation planning, and to seek solutions to problems crossing political boundaries. It is governed by five statutory members and three associate (nonvoting) members.
- Puget Sound Clean Air Agency – An air pollution control authority under the Washington Clean Air Act for the counties of King, Kitsap, Pierce, and Snohomish. The agency is governed by a nine-member board composed mainly of elected officials from the four county jurisdictions. Its major responsibility is the implementation of the Washington Clean Air Act. This responsibility has been delegated to the agency by both the State of Washington and the Federal Environmental Protection Agency.
- Drainage Districts – There are six districts in this category. They were established to ditch, dike, and provide pumping facilities for flood-prone or low-lying lands.
- Cemetery District No. 1 – Formed in 1978 to improve and maintain a public cemetery on Vashon Island that was originally established in 1888 by a private association.
- Vashon-Maury Island Park and Recreation District – Established to develop and operate park and recreational facilities on Vashon-Maury Island.
- Law Library – A comprehensive library of approximately 90,000 law books located on the sixth floor of the King County Courthouse. Its branch at the Regional Justice Center in Kent has approximately 15,000 volumes. The library is governed by a five-member Board of Trustees and is financed by a portion of all District and Superior Court civil filing fees.

Northshore Park and Recreation Service Area – This district was established to finance the acquisition and construction of a senior citizens' activity center in an area overlapping portions of both King County and Snohomish County corresponding to the boundaries of the Northshore School District. The district is jointly governed by a body comprised of two councilmembers

FIDUCIARY FUNDS DECEMBER 31, 2005

from King County, one councilmember from Snohomish County, two councilmembers from the City of Bothell, and one councilmember from the City of Woodinville.

Port of Seattle – The Port of Seattle is a public enterprise governed by five commissioners elected by the citizens of King County. Its mission is to provide services and facilities to accommodate the transportation of cargo and passengers by air, water, and land. Its marine facilities include one of the largest container ports in the United States. The Port also includes Seattle-Tacoma International Airport and marinas for a commercial fishing fleet and pleasure craft. While King County is no longer the Port's treasurer, it continues to use special district funds to account for the collection and remittance of the Port's special tax levies.

School Districts – Public education in King County from kindergarten through the 12th grade is provided by 19 school districts, each governed by an elected Board of Directors and administered by a superintendent. In an October 2005 "snapshot" there are approximately 253,849 students attending 270 elementary, 41 middle, 28 junior high, 56 senior high, and 86 special and alternative schools. Puget Sound Educational Service District (PSESD), whose financial reporting is included in the School District Combining Statement of Fiduciary Assets and Liabilities, serves 35 school districts in King County and Pierce County, and the Bainbridge Island School District in Kitsap County. The PSESD is governed by a nine-member Board of Directors and administered by a superintendent. The PSESD assists public and private schools in its region through program and staff development; early childhood programs; administrative and instructional support; technical assistance; business, financial and state reporting services; and direct service to children and families. A complete list of services and programs can be found online at www.psesd.org.

Sewer and Water Districts – There are 12 sewer and water districts in King County. The principal purpose of these districts is to protect public health and to improve water quality by constructing, maintaining, and operating sewer systems. The districts may also provide water, storm drainage, street lighting, lake rehabilitation, and onsite systems management. Each district is governed by an elected three-member Board of Commissioners.

State of Washington – King County utilizes a group of funds to account for state-levied property tax collections, court filing fees, fines, and forfeiture payments due to violations of laws of the State of Washington and their subsequent remittance to the State Treasurer.

Washington State Public Stadium Authority – This agency was established in 1997 to oversee the construction of a new football stadium and an exhibition center. It is governed by a seven-member board appointed by the Governor.

Water Districts – In King County there are 22 water districts with the primary purpose of providing consumers with the highest quality drinking water at the lowest possible cost. Each district is governed by a three- to five-member elected Board of Water Commissioners with power to acquire, construct, maintain, and operate water supply systems.

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AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 1 OF 9)

	TOTAL AGENCY FUNDS			
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ 161,025	\$ 18,851,658	\$ 18,847,107	\$ 165,576
Assets held in trust - external investment pool	1,757,005	1,832,231	1,757,005	1,832,231
Investments	3,023	15,267	14,723	3,567
Assets held in trust - individual investment accounts	3,613	17,611	17,951	3,273
Taxes receivable - delinquent	57,505	41,707	41,954	57,258
Accounts receivable	4,216	6,240	7,310	3,146
Assessments receivable	7,549	7,186	5,227	9,508
Notes and contracts receivable	10,079	54	10,133	-
Interfund short-term loan receivable	2,038	107	1,645	500
TOTAL ASSETS	<u>\$ 2,006,053</u>	<u>\$ 20,772,061</u>	<u>\$ 20,703,055</u>	<u>\$ 2,075,059</u>
LIABILITIES				
Warrants payable	\$ 60,017	\$ 2,522,728	\$ 2,503,275	\$ 79,470
Accounts payable	9,170	1,587,257	1,587,894	8,533
Obligations under reverse repurchase agreements	672	182,177	182,849	-
Liability allocated from external investment pool	53,829	191,691	53,829	191,691
Interfund short-term loans payable	2,038	23,622	25,160	500
Wages payable	3,927	1,032,229	1,034,002	2,154
Custodial accounts - County agencies	64,121	5,570,096	5,573,720	60,497
Due to special districts/other governments	1,812,279	22,500,635	22,580,700	1,732,214
TOTAL LIABILITIES	<u>\$ 2,006,053</u>	<u>\$ 33,610,435</u>	<u>\$ 33,541,429</u>	<u>\$ 2,075,059</u>

ASSETS
 Cash and cash equivalents
 Assets held in trust - external investment pool
 Investments
 Assets held in trust - individual investment accounts
 Taxes receivable - delinquent
 Accounts receivable
 Assessments receivable
 Notes and contracts receivable
 Interfund short-term loan receivable
TOTAL ASSETS

LIABILITIES
 Warrants payable
 Accounts payable
 Obligations under reverse repurchase agreements
 Liability allocated from external investment pool
 Interfund short-term loans payable
 Wages payable
 Custodial accounts - County agencies
 Due to special districts/other governments
TOTAL LIABILITIES

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 2 OF 9)

ENHANCED 911 PSAP ESCROW				KING COUNTY FISCAL AGENT / DEBT SERVICE			
BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
\$ 8,104	\$ 3,094	\$ 4,489	\$ 6,709	\$ -	\$ 549,130	\$ 549,130	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	4	4	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 8,104</u>	<u>\$ 3,094</u>	<u>\$ 4,489</u>	<u>\$ 6,709</u>	<u>\$ -0-</u>	<u>\$ 549,134</u>	<u>\$ 549,134</u>	<u>\$ -0-</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	4,338	4,225	117	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,100	3,325	4,833	6,592	-	549,126	549,126	-
-	-	-	-	-	-	-	-
<u>\$ 8,104</u>	<u>\$ 7,663</u>	<u>\$ 9,058</u>	<u>\$ 6,709</u>	<u>\$ -0-</u>	<u>\$ 549,126</u>	<u>\$ 549,126</u>	<u>\$ -0-</u>

JUDICIAL ADMINISTRATION AGENCY				MISCELLANEOUS AGENCY FUNDS			
BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
\$ 21,267	\$ 173,080	\$ 180,388	\$ 13,959	\$ 4,722	\$ 23,625	\$ 21,481	\$ 6,866
-	-	-	-	-	-	-	-
3,023	3,983	3,439	3,567	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	79	54	133	-
-	-	-	-	-	-	-	-
<u>\$ 24,290</u>	<u>\$ 177,063</u>	<u>\$ 183,827</u>	<u>\$ 17,526</u>	<u>\$ 4,801</u>	<u>\$ 23,679</u>	<u>\$ 21,614</u>	<u>\$ 6,866</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	4	2,360	2,350	14
672	-	672	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
23,618	50,054	56,147	17,525	4,797	24,731	22,676	6,852
-	-	-	-	-	-	-	-
<u>\$ 24,290</u>	<u>\$ 50,054</u>	<u>\$ 56,819</u>	<u>\$ 17,525</u>	<u>\$ 4,801</u>	<u>\$ 27,091</u>	<u>\$ 25,026</u>	<u>\$ 6,866</u>

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 3 OF 9)

MISCELLANEOUS PROPERTY TAX FUNDS				
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ 14,159	\$ 2,809,568	\$ 2,808,326	\$ 15,401
Assets held in trust - external investment pool	-	-	-	-
Investments	-	-	-	-
Assets held in trust - individual investment accounts	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Accounts receivable	38	4,278	4,315	1
Assessments receivable	-	-	-	-
Notes and contracts receivable	-	-	-	-
Interfund short-term loan receivable	38	-	38	-
TOTAL ASSETS	\$ 14,235	\$ 2,813,846	\$ 2,812,679	\$ 15,402
LIABILITIES				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Accounts payable	62	19,817	19,854	25
Obligations under reverse repurchase agreements	-	-	-	-
Liability allocated from external investment pool	-	-	-	-
Interfund short-term loans payable	38	-	38	-
Wages payable	-	-	-	-
Custodial accounts - County agencies	14,135	2,805,903	2,804,661	15,377
Due to special districts/other governments	-	-	-	-
TOTAL LIABILITIES	\$ 14,235	\$ 2,825,720	\$ 2,824,553	\$ 15,402

MISCELLANEOUS TAX DISTRIBUTION				
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ 71	\$ 585,306	\$ 585,282	\$ 95
Assets held in trust - external investment pool	-	-	-	-
Investments	-	-	-	-
Assets held in trust - individual investment accounts	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Notes and contracts receivable	-	-	-	-
Interfund short-term loan receivable	-	-	-	-
TOTAL ASSETS	\$ 71	\$ 585,306	\$ 585,282	\$ 95
LIABILITIES				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	17	17	-
Obligations under reverse repurchase agreements	-	-	-	-
Liability allocated from external investment pool	-	-	-	-
Interfund short-term loans payable	-	-	-	-
Wages payable	-	-	-	-
Custodial accounts - County agencies	71	585,306	585,282	95
Due to special districts/other governments	-	-	-	-
TOTAL LIABILITIES	\$ 71	\$ 585,323	\$ 585,299	\$ 95

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 4 OF 9)

PAYROLL AND ACCOUNTS PAYABLE CLEARING				WARRANT REDEMPTION			
BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
\$ 34,831	\$ 2,540,018	\$ 2,528,257	\$ 46,592	\$ 10,237	\$ 2,442,308	\$ 2,445,051	\$ 7,494
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,019	464	2,019	464	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 36,850</u>	<u>\$ 2,540,482</u>	<u>\$ 2,530,276</u>	<u>\$ 47,056</u>	<u>\$ 10,237</u>	<u>\$ 2,442,308</u>	<u>\$ 2,445,051</u>	<u>\$ 7,494</u>
\$ 22,296	\$ 1,136,428	\$ 1,121,648	\$ 37,076	\$ 10,237	\$ 17,691	\$ 20,434	\$ 7,494
9,058	1,216,697	1,217,929	7,826	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,927	1,032,229	1,034,002	2,154	-	-	-	-
1,569	1,545,086	1,546,655	-	-	-	-	-
-	-	-	-	-	80	80	-
<u>\$ 36,850</u>	<u>\$ 4,930,440</u>	<u>\$ 4,920,234</u>	<u>\$ 47,056</u>	<u>\$ 10,237</u>	<u>\$ 17,771</u>	<u>\$ 20,514</u>	<u>\$ 7,494</u>
SCHOOL DISTRICT IMPACT FEE				CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY			
BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
\$ 11,831	\$ 6,160	\$ 3,935	\$ 14,056	\$ -	\$ 191,934	\$ 191,934	\$ -
-	-	-	-	188,675	61,283	188,675	61,283
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 11,831</u>	<u>\$ 6,160</u>	<u>\$ 3,935</u>	<u>\$ 14,056</u>	<u>\$ 188,675</u>	<u>\$ 253,217</u>	<u>\$ 380,609</u>	<u>\$ 61,283</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	7,250	7,250	-
-	-	-	-	7,250	6,594	7,250	6,594
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,831	6,565	4,340	14,056	-	-	-	-
-	-	-	-	181,425	58,584	185,320	54,689
<u>\$ 11,831</u>	<u>\$ 6,565</u>	<u>\$ 4,340</u>	<u>\$ 14,056</u>	<u>\$ 188,675</u>	<u>\$ 72,428</u>	<u>\$ 199,820</u>	<u>\$ 61,283</u>

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 5 OF 9)

CITIES AND TOWNS				
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ 12,301	\$ 726,625	\$ 726,905	\$ 12,021
Assets held in trust - external investment pool	-	-	-	-
Investments	-	-	-	-
Assets held in trust - individual investment accounts	-	-	-	-
Taxes receivable - delinquent	13,257	10,130	9,867	13,520
Accounts receivable	2,096	1,494	972	2,618
Assessments receivable	-	140	140	-
Notes and contracts receivable	-	-	-	-
Interfund short-term loan receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 27,654</u>	<u>\$ 738,389</u>	<u>\$ 737,884</u>	<u>\$ 28,159</u>
LIABILITIES				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	99	99	-
Obligations under reverse repurchase agreements	-	-	-	-
Liability allocated from external investment pool	-	-	-	-
Interfund short-term loans payable	-	-	-	-
Wages payable	-	-	-	-
Custodial accounts - County agencies	-	-	-	-
Due to special districts/other governments	27,654	2,530,672	2,530,167	28,159
TOTAL LIABILITIES	<u>\$ 27,654</u>	<u>\$ 2,530,771</u>	<u>\$ 2,530,266</u>	<u>\$ 28,159</u>

FIRE DISTRICTS				
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ 798	\$ 236,932	\$ 236,846	\$ 884
Assets held in trust - external investment pool	74,560	90,786	74,560	90,786
Investments	-	94	94	-
Assets held in trust - individual investment accounts	16	17	16	17
Taxes receivable - delinquent	2,622	2,039	2,057	2,604
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Notes and contracts receivable	-	-	-	-
Interfund short-term loan receivable	-	107	107	-
TOTAL ASSETS	<u>\$ 77,996</u>	<u>\$ 329,975</u>	<u>\$ 313,680</u>	<u>\$ 94,291</u>
LIABILITIES				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Accounts payable	20	63,743	63,752	11
Obligations under reverse repurchase agreements	-	-	-	-
Liability allocated from external investment pool	2,360	10,171	2,360	10,171
Interfund short-term loans payable	-	107	107	-
Wages payable	-	-	-	-
Custodial accounts - County agencies	-	-	-	-
Due to special districts/other governments	75,616	711,593	703,099	84,110
TOTAL LIABILITIES	<u>\$ 77,996</u>	<u>\$ 785,614</u>	<u>\$ 769,318</u>	<u>\$ 94,292</u>

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 6 OF 9)

HOSPITAL DISTRICTS				KING COUNTY RURAL LIBRARY			
BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
\$ -	\$ 76,634	\$ 76,634	\$ -	\$ -	\$ 194,592	\$ 194,592	\$ -
18,885	29,525	18,885	29,525	28,180	102,001	28,180	102,001
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
466	468	364	570	2,033	1,431	1,442	2,022
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 19,351</u>	<u>\$ 106,627</u>	<u>\$ 95,883</u>	<u>\$ 30,095</u>	<u>\$ 30,213</u>	<u>\$ 298,024</u>	<u>\$ 224,214</u>	<u>\$ 104,023</u>
\$ 133	\$ 7,257	\$ 7,046	\$ 344	\$ -	\$ 1,256	\$ 1,243	\$ 13
-	-	-	-	-	-	-	-
-	2,793	2,793	-	-	11,136	11,136	-
614	2,793	614	2,793	929	11,135	929	11,135
-	2,650	2,650	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
18,604	512,910	504,556	26,958	29,284	638,583	574,992	92,875
<u>\$ 19,351</u>	<u>\$ 528,403</u>	<u>\$ 517,659</u>	<u>\$ 30,095</u>	<u>\$ 30,213</u>	<u>\$ 662,110</u>	<u>\$ 588,300</u>	<u>\$ 104,023</u>

KING COUNTY DIRECTORS' ASSOCIATION				LIBRARY CAPITAL FACILITY DISTRICTS			
BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
\$ -	\$ 97,783	\$ 97,783	\$ -	\$ -	\$ 1,426	\$ 1,426	\$ -
7,508	7,924	7,508	7,924	231	106	231	106
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	22	18	17	23
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 7,508</u>	<u>\$ 105,707</u>	<u>\$ 105,291</u>	<u>\$ 7,924</u>	<u>\$ 253</u>	<u>\$ 1,550</u>	<u>\$ 1,674</u>	<u>\$ 129</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	67,210	67,210	-	-	-	-	-
-	-	-	-	-	-	-	-
-	20,790	20,790	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
7,508	92,512	92,096	7,924	253	17,439	17,563	129
<u>\$ 7,508</u>	<u>\$ 180,512</u>	<u>\$ 180,096</u>	<u>\$ 7,924</u>	<u>\$ 253</u>	<u>\$ 17,439</u>	<u>\$ 17,563</u>	<u>\$ 129</u>

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 7 OF 9)

MISCELLANEOUS SPECIAL DISTRICTS				
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ 291	\$ 43,858	\$ 44,005	\$ 144
Assets held in trust - external investment pool	13,488	14,569	13,488	14,569
Investments	-	-	-	-
Assets held in trust - individual investment accounts	-	-	-	-
Taxes receivable - delinquent	214	129	136	207
Accounts receivable	63	-	-	63
Assessments receivable	-	-	-	-
Notes and contracts receivable	-	-	-	-
Interfund short-term loan receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 14,056</u>	<u>\$ 58,556</u>	<u>\$ 57,629</u>	<u>\$ 14,983</u>
LIABILITIES				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Accounts payable	13	12,340	12,334	19
Obligations under reverse repurchase agreements	-	-	-	-
Liability allocated from external investment pool	-	-	-	-
Interfund short-term loans payable	-	75	75	-
Wages payable	-	-	-	-
Custodial accounts - County agencies	-	-	-	-
Due to special districts/other governments	14,043	76,401	75,480	14,964
TOTAL LIABILITIES	<u>\$ 14,056</u>	<u>\$ 88,816</u>	<u>\$ 87,889</u>	<u>\$ 14,983</u>

NORTHSHORE PARK AND RECREATION SERVICE AREA				
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ -	\$ 3,110	\$ 3,110	\$ -
Assets held in trust - external investment pool	528	306	528	306
Investments	-	-	-	-
Assets held in trust - individual investment accounts	-	-	-	-
Taxes receivable - delinquent	11	7	9	9
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Notes and contracts receivable	-	-	-	-
Interfund short-term loan receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 539</u>	<u>\$ 3,423</u>	<u>\$ 3,647</u>	<u>\$ 315</u>
LIABILITIES				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	1,881	1,756	125
Obligations under reverse repurchase agreements	-	-	-	-
Liability allocated from external investment pool	-	-	-	-
Interfund short-term loans payable	-	-	-	-
Wages payable	-	-	-	-
Custodial accounts - County agencies	-	-	-	-
Due to special districts/other governments	539	9,340	9,689	190
TOTAL LIABILITIES	<u>\$ 539</u>	<u>\$ 11,221</u>	<u>\$ 11,445</u>	<u>\$ 315</u>

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 8 OF 9)

PORT OF SEATTLE				SEWER AND WATER DISTRICTS			
BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
\$ 82	\$ 63,116	\$ 63,153	\$ 45	\$ 16	\$ 360,095	\$ 360,106	\$ 5
-	-	-	-	146,440	165,509	146,440	165,509
-	-	-	-	-	9,051	9,051	-
-	-	-	-	2,020	1,981	2,020	1,981
1,523	1,149	1,119	1,553	-	9	8	1
-	-	-	-	-	-	-	-
-	-	-	-	4,439	3,310	3,766	3,983
-	-	-	-	-	-	-	-
-	-	-	-	500	-	-	500
<u>\$ 1,605</u>	<u>\$ 64,265</u>	<u>\$ 64,272</u>	<u>\$ 1,598</u>	<u>\$ 153,415</u>	<u>\$ 539,955</u>	<u>\$ 521,391</u>	<u>\$ 171,979</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	108,046	107,715	331
-	-	-	-	-	17,882	17,882	-
-	-	-	-	4,607	17,882	4,607	17,882
-	-	-	-	500	-	-	500
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,605	622,673	622,680	1,598	148,308	607,534	602,576	153,266
<u>\$ 1,605</u>	<u>\$ 622,673</u>	<u>\$ 622,680</u>	<u>\$ 1,598</u>	<u>\$ 153,415</u>	<u>\$ 751,344</u>	<u>\$ 732,780</u>	<u>\$ 171,979</u>
SCHOOL DISTRICTS				STATE OF WASHINGTON			
BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
\$ 10	\$ 6,259,624	\$ 6,259,622	\$ 12	\$ 42,302	\$ 1,066,407	\$ 1,067,419	\$ 41,290
1,157,421	1,224,652	1,157,421	1,224,652	-	-	-	-
-	2,139	2,139	-	-	-	-	-
1,577	1,275	1,577	1,275	-	-	-	-
19,936	14,068	14,207	19,797	17,421	12,259	12,728	16,952
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,500	-	1,500	-	-	-	-	-
<u>\$ 1,180,444</u>	<u>\$ 7,501,758</u>	<u>\$ 7,436,466</u>	<u>\$ 1,245,736</u>	<u>\$ 59,723</u>	<u>\$ 1,078,666</u>	<u>\$ 1,080,147</u>	<u>\$ 58,242</u>
\$ 27,351	\$ 1,359,611	\$ 1,352,419	\$ 34,543	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	172	172	-
-	128,778	128,778	-	-	-	-	-
34,431	128,778	34,431	128,778	-	-	-	-
1,500	-	1,500	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,117,162	12,986,766	13,021,513	1,082,415	59,723	3,134,415	3,135,896	58,242
<u>\$ 1,180,444</u>	<u>\$ 14,603,933</u>	<u>\$ 14,538,641</u>	<u>\$ 1,245,736</u>	<u>\$ 59,723</u>	<u>\$ 3,134,587</u>	<u>\$ 3,136,068</u>	<u>\$ 58,242</u>

AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (IN THOUSANDS)
 (PAGE 9 OF 9)

WA STATE PUBLIC STADIUM AUTHORITY				
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ -	\$ 5,999	\$ 5,999	\$ -
Assets held in trust - external investment pool	4,131	4,995	4,131	4,995
Investments	-	-	-	-
Assets held in trust - individual investment accounts	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Notes and contracts receivable	-	-	-	-
Interfund short-term loan receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 4,131</u>	<u>\$ 10,994</u>	<u>\$ 10,130</u>	<u>\$ 4,995</u>
LIABILITIES				
Warrants payable	\$ -	\$ 485	\$ 485	\$ -
Accounts payable	-	-	-	-
Obligations under reverse repurchase agreements	-	-	-	-
Liability allocated from external investment pool	-	-	-	-
Interfund short-term loans payable	-	-	-	-
Wages payable	-	-	-	-
Custodial accounts - County agencies	-	-	-	-
Due to special districts/other governments	4,131	6,886	6,022	4,995
TOTAL LIABILITIES	<u>\$ 4,131</u>	<u>\$ 7,371</u>	<u>\$ 6,507</u>	<u>\$ 4,995</u>

WATER DISTRICTS				
	BALANCE 01/01/05	INCREASES	DECREASES	BALANCE 12/31/05
ASSETS				
Cash and cash equivalents	\$ 3	\$ 391,234	\$ 391,234	\$ 3
Assets held in trust - external investment pool	116,958	130,575	116,958	130,575
Investments	-	-	-	-
Assets held in trust - individual investment accounts	-	14,338	14,338	-
Taxes receivable - delinquent	-	-	-	-
Accounts receivable	-	-	-	-
Assessments receivable	3,110	3,736	1,321	5,525
Notes and contracts receivable	10,000	-	10,000	-
Interfund short-term loan receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 130,071</u>	<u>\$ 539,883</u>	<u>\$ 533,851</u>	<u>\$ 136,103</u>
LIABILITIES				
Warrants payable	\$ -	\$ -	\$ -	\$ -
Accounts payable	9	90,537	90,481	65
Obligations under reverse repurchase agreements	-	14,338	14,338	-
Liability allocated from external investment pool	3,638	14,338	3,638	14,338
Interfund short-term loans payable	-	-	-	-
Wages payable	-	-	-	-
Custodial accounts - County agencies	-	-	-	-
Due to special districts/other governments	126,424	494,247	498,971	121,700
TOTAL LIABILITIES	<u>\$ 130,071</u>	<u>\$ 613,460</u>	<u>\$ 607,428</u>	<u>\$ 136,103</u>